

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



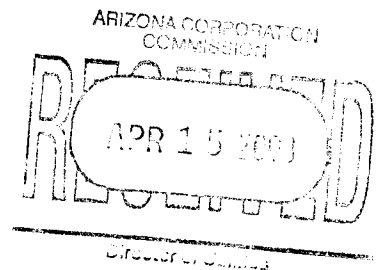
W-02351A
Picacho Peak Water Company
7802 E. Escalante Rd.
Tucson AZ 85730

ANNUAL REPORT

*Entered
4/30/03
C.M.*

FOR YEAR ENDING

12	31	2002
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FOR COMMISSION USE

ANN 04	02
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*4-23-03
no property taxes pd.
C.M.*

22 MAY 2003

OK

COMPANY INFORMATION

Company Name (Business Name) Picacho Peak Water Co., Inc

Mailing Address 7802 E. Escalante Rd
(Street)

Tucson
(City)

AZ
(State)

85730
(Zip)

(520) 790-2738
Telephone No. (Include Area Code)

(520) 747-0447
Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Local Office Mailing Address Same
(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: George Bien-Willner President
(Name) (Title)

3641 N. 39th Ave.
(Street)

Phoenix
(City)

AZ
(State)

85019
(Zip)

(602) 840-8108
Telephone No. (Include Area Code)

(602) 840-1114
Fax No. (Include Area Code)

(602) 430-7227
Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: _____
(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Statutory Agent: Spencer Smith
(Name)

2525 E. Broadway, Ste. 200 Tucson, AZ 85716
(Street) (City) (State) (Zip)

(520) 322-5000 (520) 322-5585
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: De Concini McDonald Yetwin & Lacy
(Name)

2525 E. Broadway, Ste. 200 Tucson AZ 85716
(Street) (City) (State) (Zip)

(520) 322-5000 (520) 322-5585
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S) | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|-----------------------------------|---|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input checked="" type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

Picacho Peak Water Co.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	2860	0	2860
304	Structures and Improvements			
307	Wells and Springs	29,200	23,174	6026
311	Pumping Equipment	64,069	41,929	22,140
320	Water Treatment Equipment	375	324	51
330	Distribution Reservoirs and Standpipes	15,132	12,003	3129
331	Transmission and Distribution Mains	86,389	47,511	38,878
333	Services	708	569	139
334	Meters and Meter Installations	4,862	3173	1689
335	Hydrants	15870	12,896	2974
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	6603	3300	3303
	TOTALS	226,068	144,879	81,189

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

Picacho Peak Water Co.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	2860		0
304	Structures and Improvements			
307	Wells and Springs	29,200	3.64	1062
311	Pumping Equipment	64,069	4.19	2688
320	Water Treatment Equipment	375	3.64	14
330	Distribution Reservoirs and Standpipes	15,132	1.08	163
331	Transmission and Distribution Mains	86,389	4.16	3595
333	Services	708	3.64	26
334	Meters and Meter Installations	4862	5.02	244
335	Hydrants	15,870	6.67	1059
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	6603	6.67	440
	TOTALS	226,068	4.11	9291

This amount goes on Comparative Statement of Income and Expense _____
Acct. No. 403.

COMPANY NAME

Picacho Peak Water Co

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 13 215	\$ 18,893
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 13215	\$ 18,893
	FIXED ASSETS		
101	Utility Plant in Service	\$ 226,068	\$ 226,068
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	135,588	144,880
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 90,480	\$ 81,188
	TOTAL ASSETS	\$ 103,695	\$ 100,081

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

Picacho Peak Water Co.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)	1100	1100
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 1100	\$ 1100
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 90,868	\$ 83,644
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$ 91,968	\$ 84,744
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	11,727	15,337
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$	\$
	TOTAL LIABILITIES AND CAPITAL	\$ 103,695	\$ 100,081

COMPANY NAME

Picacho Peak Water Co

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 36,333	\$ 37,685
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$ 36,333	\$ 37,685
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	2660	4117
618	Chemicals		
620	Repairs and Maintenance	689	100
621	Office Supplies and Expense	118	-
630	Outside Services	2,850	10,287
635	Water Testing	2,260	527
641	Rents		
650	Transportation Expenses		
657	Insurance - General Liability	1,152	-
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	434	293.5
403	Depreciation Expense	9,645	9291
408	Taxes Other Than Income		70
408.11	Property Taxes	1,978	2379
409	Income Tax	50	
	TOTAL OPERATING EXPENSES	\$ 21,836	\$ 29,706
	OPERATING INCOME/(LOSS)	\$	\$
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 0	\$ 0
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(4049)	(4368)
	TOTAL OTHER INCOME/(EXPENSE)	\$ (4049)	\$ (4368)
	NET INCOME/(LOSS)	\$ 10,448	\$ 3611

COMPANY NAME

Picacho Peak Water Co.

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	11/15/79			
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$ 200,000	\$	\$	\$
Amount Outstanding	\$ 83,644	\$	\$	\$
Date of Maturity	2020			
Interest Rate	5%			
Current Year Interest	\$ 4368	\$	\$	\$
Current Year Principle	\$ 7224	\$	\$	\$

Meter Deposit Balance at Test Year End

\$

Meter Deposits Refunded During the Test Year

\$

COMPANY NAME

Picacho Peak Water Co.

WATER COMPANY PLANT DESCRIPTION**WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
623405	10	64	12"			
623406	10	82	12"			

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
7.5	2		
10	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
40,000	1	5,000	2

COMPANY NAME

Picocho Peak Water Co

WATER COMPANY PLANT DESCRIPTION (CONTINUED)**MAINS**

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:

COMPANY NAME: Picacho Peak Water Company

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2002

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	12	495,028	495,028
FEBRUARY	12	3,398	3,398
MARCH	12	48,956	48,956
APRIL	12	439,081	439,081
MAY	12	497,088	497,088
JUNE	12	469,759	469,759
JULY	12	545,964	545,964
AUGUST	12	400,787	400,787
SEPTEMBER	12	297,352	297,352
OCTOBER	12	536,634	536,634
NOVEMBER	12		
DECEMBER	12	538,920	538,920
TOTAL		N/A	4,272,967

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☒ Yes

☐ No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

☐ Yes

☒ No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. 0.022 mg/l

(If more than one well, please list each separately)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Picacho Peak Water Co YEAR ENDING 12/31/2002

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2002 was: \$ 0

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

Still in negotiation with county over valuation

COMPANY NAME Picacho Peak Water Co. YEAR ENDING 12/31/2002

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 0
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 0
Estimated or Actual State Tax Liability 45

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

David Case
SIGNATURE

4-8-03
DATE

David Case
PRINTED NAME

CPA
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

ARIZONA CORPORATION
COMMISSION

RECEIVED
APR 15 2003

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>Pinal</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Accountant</u>
COMPANY NAME	<u>Picacho Peak Water Co. Inc.</u>

Director of Utilities

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT


IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2002 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 37685

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 2336
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**



SIGNATURE OF OWNER OR OFFICIAL
520-790-2738

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS April 8, 2003 DAY OF

COUNTY NAME	<u>Pinal</u>
MONTH	<u>March</u>
	<u>2003</u>

(SEAL)

MY COMMISSION EXPIRES

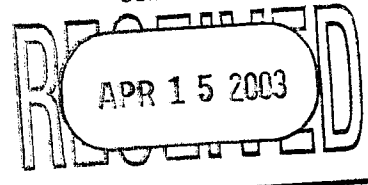


Notary Public State of Arizona
Pima County
Carol A Ryberg
Expires December 15, 2008

SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION
COMMISSION



Director of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) <u>Pinal</u>	
NAME (OWNER OR OFFICIAL) <u>Accountant</u>	TITLE
COMPANY NAME <u>Picacho Peak Water Co.</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2002</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2002 WAS:

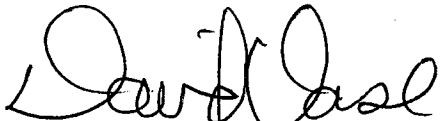
ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 3093

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 175

IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.


SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

8th

DAY OF

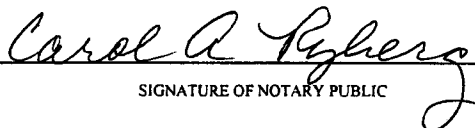
NOTARY PUBLIC NAME <u>Carol A Ryberg</u>	
COUNTY NAME <u>Pima</u>	
MONTH <u>April</u>	<u>2003</u>

(SEAL)



Notary Public State of Arizona
Pima County
Carol A Ryberg
Expires December 15, 2008

MY COMMISSION EXPIRES

X 
SIGNATURE OF NOTARY PUBLIC